

Advancing Media Literacies

for the 21st Century ▶▶▶

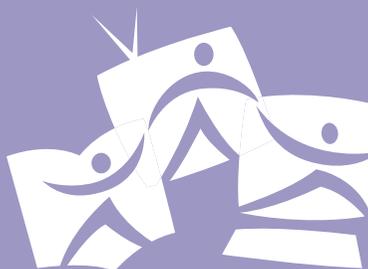
Annual Report 2003 | 2004



**MEDIA
AWARENESS
NETWORK**



**RÉSEAU
ÉDUCATION
MÉDIAS**



MEDIA AWARENESS NETWORK

Head Office

1500 Merivale Road, 3rd Floor Ottawa, ON K2E 6Z5 Canada
Tel: (613) 224-7721 Fax: (613) 224-1958

info@media-awareness.ca
www.media-awareness.ca

Regional Office

4200 St-Laurent Blvd., Suite 405, Montréal, QC H2W 2R2 Canada
Tel: (514) 844-2565 Fax: (514) 844-2913

infos@education-medias.ca
www.education-medias.ca

May 2004

© 2004 Media Awareness Network. All Rights Reserved.

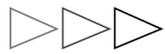


Table of Contents

Building the future on a tradition of excellence

Chair's Message 3

Advancing media literacies and MNet's mission

Executive Director's Report 5

Program Report Card 8

Engaging the Community 8

Creating New Resources 10

Measuring Kids' Attitudes and Media Use 12

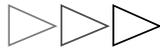
Looking Ahead 12

About MNet 14

Financial Statements 18

Building a Future on | **a Tradition of Excellence** ▷▷▷





Building the future on a tradition of excellence **Chair's Message**

Around the world, there is growing recognition of the enormous opportunities media offer young people – for education, socializing, citizenship and employment. Yet, we are also seeing increasing public concern about some of the potential challenges and risks, especially those associated with the Internet, video games and new wireless media.

In some countries, this is giving rise to calls for more legislation, regulation, or censorship. While we should take reasonable steps to protect our children from danger, we must understand that we cannot deprive them of the knowledge and experience that they can access in the media. In fact, regardless of what some may wish, young people from all continents and cultures will continue to explore and use media to their fullest. It is simply part of who they are and how they interact with each other as citizens of the 21st Century.

Our challenge, as parents, educators, community leaders, media providers, and governments, is to help young people develop media literacy skills. That is how we can best ensure they are equipped to handle the risks, while innovating and learning and, in doing so, influence the evolution and role of media in their lives.

Celebrating MNet's Achievements

Canada is fortunate to have the Media Awareness Network (MNet) – an internationally recognized centre of excellence in media education which is meeting domestic and international demand for practical, relevant resources for classroom, home and community use.

Nowhere is that demand more evident than here in Canada. In our 2003 focus group research, Canadian parents consistently said they are looking for information and tools so they can become more involved in their kids' media activities. Young people themselves recognize they need guidance and information – although not necessarily censorship or restrictions – as they develop their media literacy skills.

The past year marked a new level of achievement for MNet in responding to those needs, as chronicled in this year's Program Report Card. In partnership with the Canadian Paediatric

Society, MNet expanded its reach into the health care sector with the launch of the MediaPulse initiative. Les Cyberbibliothécaires, a new French-language portal for librarians, was launched, and the English equivalent is now in production.

Phase II of MNet's research program, Young Canadians In A Wired World, was launched to follow up on the 2000-2001 benchmark research on young people's use of new media.

We celebrated the first anniversary of MNet's new bilingual Web site with results that exceeded all expectations, including several prestigious international awards. Canada's second annual Web Awareness Day was launched with our partners Bell Canada and Canadian Library Association. A broad-based national Internet safety public education campaign, Be Web Aware, was launched with partners Bell Canada, Microsoft Canada, and most of Canada's major media companies.

On the international front, interest continued to be expressed for adopting MNet's media education model, cultural and policy exchanges, and the licensing of resources.

In reviewing this list of 2003 accomplishments, it is clear that our organization has developed into the media education leader its founders envisioned. This deserves to be celebrated, as we prepare for the future.

Building the Future on MNet's Strengths

It will be vital for MNet to continue building on the cornerstones of its success: an enduring mission, quality programs, a strong Board, and innovative partnerships.

MNet's mission – to support and encourage media education and its widest possible integration into schools, homes and communities – keeps the organization focused and ensures it remains a public good. We need to value, and have confidence in, this enduring mission

MNet's commitment to quality – Balanced programs, rooted in an education framework and supported by solid research, ensure the relevance of MNet products to users. And it is the terrific collaboration between MNet's French

and English teams that is responsible for the end result – outstanding resources that make a major contribution to advancing media literacy.

Good governance – In this era of heightened sensitivity to the need for good governance, one of MNet’s key strengths is its Board of Directors. It brings government, industry and user partners together to advance media literacy. I am particularly proud, as Chair, that we had a Board Task Force that reviewed all aspects of MNet’s policies and practices related to governance. Subsequent to full Board discussion and endorsement, this led to the implementation of new practices, supported by an ongoing strategic planning process.

Partnership model – One of Europe’s leading researchers on kids and media, Sonia Livingstone, recently spoke in glowing terms about MNet’s leadership in media education. Her questions to me were: ‘How do you Canadians make it work?’ ‘What’s the MNet model for success?’ The answer, in large part, is MNet’s partnership model that ensures its programs are relevant, delivered efficiently into the marketplace, and linked to public policy. This beautiful balance between public, profit and not-for-profit partners is a rarity not only in this country but elsewhere. It is something very special about MNet that should always be treasured.

Underlying all of this is the fact that MNet’s programs are grounded in Canadian society and values. It is difficult to overestimate the impact this has on the organization’s ability to produce resources that have domestic and international appeal and resonance.

In Closing ... Some Personal Thoughts

I have had the privilege to be associated with MNet since its incorporation in 1996, first as a founding Patron, then as a member of its Board, and for the past two years as Board Chair. It seemed to me at the outset that MNet had it right. Its founders put in place a mission, supported by a balanced, education-based approach to media education and a partnership model that were unique in the world, and precisely what Canada and other countries would need, as media, fueled by technology advances, began to take on a central role in the lives of a new generation of media-savvy young people.

The results speak for themselves. MNet’s programs are world-class and recognized as such; its work is linked to public policy, and it continues to attract growing support from Canadian governments, corporations and leaders

in the education, library, health and community sectors, as well as parents. That’s a testament to the foresight, creativity and commitment of MNet’s founding officers – Sheridan Scott, Sandra MacDonald, Al MacKay, and of course, Anne Taylor and Jan D’Arcy.

In the end, it’s the people who make it rewarding to be part of this organization. It has been an honour to work with the outstanding individuals who serve on the Board. I would like to pay particular tribute to the Executive Committee, Linda Gervais and Elizabeth Roscoe, (Vice-Chairs), Pam Dinsmore (Treasurer), and Wendy Newman and Serge Carrier (Members-at-large), who have supported me every step of the way during my two terms as Chair.

A few words about the Executive Director of Media Awareness Network, who after nine years is ready to explore new opportunities, and welcome a new generation of leaders at MNet. Jan has been a tireless champion and inspiration for our unique Canadian success story, first as Co-Founder, and Co-Director with Anne Taylor, and more recently, as Executive Director.

Jan D’Arcy has been a leader with a heart, always reaching out for advice, counsel and encouraging inclusion - of people, of ideas. These are the qualities that I value both in a professional colleague and a friend.

She is a great negotiator! When she convinced me to take up this position, she made it clear “It will only be for one year; and I will only call you once a month”. And yet here I am, two years later, grateful for the opportunity of having worked closely with Jan and the staff. This was because of her vision, and her ability to share this vision. It will always be an honour for me to work with her again.

As is the case with every successful leader, Jan has been supported by a remarkable team – past and present – of committed and talented professionals. As I step down as Chair, my final words are extended to all of you at Media Awareness Network, for the creation, the development and the implementation of its award-winning content, research and Web site. My heartfelt congratulations!



André H. Caron
Chair



Advancing media literacies and MNet's mission

Executive Director's Report

Canadian children and teens are avid consumers of entertainment and information products; and the media world they inhabit is becoming increasingly complex. The Internet in particular, enables our kids, from one of the most connected countries in the world, to access information and ideas at a global level. Young Canadians, however, are not just media consumers – they are the innovators and creators of the future.

There have never been as many opportunities – in Canada and internationally – to expand and to strengthen MNet's leadership role as a centre of Canadian excellence for media education.

After eight years of operation, MNet is no longer the new kid on the block. This organization is a unique Canadian model, a world leader in media education, and a pioneer in Internet literacy. We are fortunate in this regard – we have no need to spend precious resources fighting for our place. Our challenge, rather, is to ensure the ongoing capacity to respond to the growing demands for our expertise.

Our Changing World

It is not only the media environment that is evolving – Canadian schools are also undergoing significant changes. Canada is the most racially diverse nation in the world. In classrooms, the number of children of ethno-cultural and racial minority origin, or First Nations, Inuit and Métis descent continues to grow.

Between 1995 and 2000 media education was integrated into the curriculum of every province and territory in Canada. In Quebec, media education is one of the *Domaines de vie* that underpins all curricula. Media education curricula in Canada offer an exciting "window of opportunity" for anti-racism and health education through the study of media. Media education can assist young people in exploring how their life choices and attitudes about themselves and others can be influenced, either positively or negatively, by the messages they receive from the media they consume.

Celebrating Our Strengths

As MNet rolls into the home stretch of its first decade, it's a good time to reflect on our successes.

Quality programming

MNet's content has always been world-class, timely and relevant. Our programs are grounded in solid research, through MNet's Young Canadians In A Wired World initiative – which also informs public policy. Our programs and resources are tailored to respond to user's real needs: educators, students, librarians, community leaders, parents and researchers. We've learned how to benefit from a "feedback loop." Our program team speaks at conferences and engages in dialogue with our user groups. We often ask educators to field-test our resources and subject-matter experts to evaluate our programs before they are implemented. We build on this feedback to keep our programming current and relevant to our users.

Expanding our reach

Our programs and resources are used extensively. They are delivered throughout Canada, in English and French, and through our Web site. They remain, largely, a public asset, available in urban, rural, remote, and northern communities. We are proud that the first year of our new Web site has shown a dramatic increase in site visitors. But we've scarcely begun to systematically promote MNet's rich site and resources to our key users; and I think it's a safe bet to say that the site-user statistics we are likely to reach a year from now will far outstrip this year's record.

Our unique partnership model continues to serve us as an effective way to expand our reach. *Web Awareness Day* in public libraries and the *Be Web Aware* public awareness initiative, developed with private and public sector partners, are two great examples. Canada's provincial and territorial governments, through ministries of education and public library branches, as well as individual schools, school boards and public libraries, continue to license our professional development programs and selected student learning resources. Public libraries have recommended to the Government of Canada that MNet's Internet education program be licensed by the federal government and made available for implementation by libraries in communities across Canada.

Sharing our expertise

Through MNet's public speaking program, MNet staff addressed over 3,000 key Canadians at 60 conferences and meetings this past year. Just a few highlights: we were invited to send two conference speakers to Canada's first-ever First Nations Technological Gathering, providing us with an opportunity to influence the effective use of online learning in First Nations classrooms; we presented workshops at the annual conferences of the College of Family Physicians of Canada, the Canadian Paediatric Society and the Canadian Academy of Child and Adolescent Psychiatry; we gave an expert's presentation to the Provincial-Territorial Working Group on Film Classification; and, our staff presented two workshops at the American Library Association-Canadian Library Association Joint Conference, which was the world's largest-ever gathering of librarians.

International presence

With the support of Foreign Affairs Canada, the Department of Canadian Heritage, and Canadian missions overseas, MNet enhanced its presence last year through speaking engagements in prioritized markets (U.S.A., Germany, Mexico and Singapore). We have continued to provide access permission to organizations around the world for our online resources, and currently hold three international pilot agreements. These are small steps, but they pave the way for broader impacts for a Canadian media education model.

Our links to public policy

Our partnership with the federal government is stronger than ever. This has been made possible, in large part, through the expertise that has been added to our team as a result of Canadian Heritage's support of Margaret Skok's assignment to MNet. Ms. Skok has ably demonstrated the important role that a non-government organization like MNet can play in delivering, supporting and partnering with government and Canadian stakeholders on critical public policy issues such as education, literacy, diversity and health, and generally, the well-being of the child.

Passing the Torch

As I prepare to step down as Executive Director later this year, I'd like to reflect on the next round of opportunities and challenges I think MNet will face.

We have created a Canadian treasure. Media Awareness Network is a critical Canadian institution in the service of young people in a knowledge-based society and economy. If MNet is to continue to make a difference in the world of young people, then we need to ensure that we stay around.

The look ahead on the programming front is very exciting. *Media Literacies for the 21st Century*, a major four-year initiative, will establish the road map for MNet's future media education resources within a cross-institutional and cross-cultural approach. Essential classroom resources will be produced – for example, to support diversity and anti-racism education and health curricula on a range of media related topics. New community outreach resources will address key issues such as cyber-bullying. *Young Canadians In A Wired World* research will continue, establishing new bench-marks. In most cases, funding for new programming now supports marketing and communications activities – which will help MNet to reach wider, further and more effectively to its end users and to the Canadian public.

Over the past eight years MNet's budget has jumped from \$330,000 in 1996 to a projected \$1.7 million in 2005. By any standards, that's dramatic growth. Our results are no less stellar. At the end of the day, however, and with a hard eye on reality, I'd like to note that MNet now needs a sustainable funding model.

In 2000, MNet had two Gold sponsors. Four years later, we have six. We cherish these sponsorships. In today's highly competitive and fast-changing media environment, will MNet be able to hold its valued sponsors? Public benefits from TRC-approved media acquisitions came on stream in 2002-2001. Although they have been essential to the growth of our operations, they begin to sunset in 2005. There is no guarantee, however, in the media marketplace, that new benefits will replace them.

Our support from the Government of Canada continues to be of enormous value, and keeps pace with the private sector. Maintaining a balance between public and private sector revenues assures that our assets remain a public good, now and in the future, and that our programs have links to the policy agenda. And of course, I would be remiss in not mentioning the potential of earned revenues from the licensing of existing and exciting new MNet resources.

The ongoing evaluation of the value and benefit of our organization, our programs and our research, to all our funding partners, will be critical to understanding how MNet formulates its next generation funding model.

Thanks

I would like to acknowledge the people at MNet who have contributed to its success. It is they who need to be recognized first and foremost, for the solid pedagogy of our resources, the depth of our Web site, our promotional successes, and our affirmed reputation.

It has been a constant source of astonishment to me that so many wonderful, talented, and committed Canadians would contribute their time to serve on MNet's Board of Directors – and so thoughtfully and carefully manage the governance of our organization. It's a profound strength, that MNet's Board of Directors is so strongly rooted in the vision and mission of the organization to serve a higher good that will benefit young Canadians. It has been an enormous privilege for me to be one of MNet's founding officers, along with fellow Canadians of vision, Al MacKay, Sandra Macdonald, Sheridan Scott and Anne Taylor.

This year, André Caron is stepping down as our Board Chair. André has always been a source of wisdom and encouragement for me, personally. His steady presence and thoughtful review of issues have added new perspectives to our work in media education, at home and internationally. André has strategically expanded MNet's networks, and has put MNet on the radar screen of world-renowned researchers and scholars, equally dedicated to media literacy for young people. Your counsel will surely be sought in the future, both by the incoming Chair and staff, and of course, by me. Thank you, André, for your vision, and support.

Finally, I'd like to express thanks to my fellow traveler on this MNet journey, Anne Taylor, whose vision and strength of character have always inspired and stimulated me to do my best.



Jan D'Arcy
Executive Director

I have used your Web site very extensively and really enjoy and appreciate it.

Charlene Peel
Secondary School Teacher
Wallaceburg, Ontario

MNet site attracts international audience

Traffic Origins:

Canada	21%
United States	49%
Europe	17%
Asia	6%
Oceania	4.5%
Other	2.5%

I congratulate you on a wonderful Web site with lots of information for parents and educators. I hope we can realize something similar here in the Netherlands too.

Peter Nikken, PhD
NIZW Youth, Netherlands



MNet Executive Director, Jan D'Arcy, and Frank Clegg, President, Microsoft Canada Co. (left) and Pierre J. Blouin, Group President, Consumer Markets, Bell Canada (right) at the launch of the Be Web Aware site

ENGAGING THE COMMUNITY

New Web Site Welcomes the World

Build it, and they will come. Fill it with rich content, and they will stay. That was the aim a year ago, when the Media Awareness Network unveiled its new Web site. Our confidence was justified: visitors came from across Canada and around the world. It's been an amazing year that saw www.media-awareness.ca, welcome more than 3.3 million visitors in its first 12 months – an increase of 139 per cent over the previous year.

Key Facts about the MNet Web Site

- ▷ Dramatic growth in unique visits in the first year of the new site: 3,332,650, up by 1.9 million visits over the previous year
- ▷ Average monthly traffic of 277,720 visits
- ▷ A weekly unique visits record of 100,827
- ▷ High 'repeat visits' factor, with approximately 85 per cent of visitors returning in a given week
- ▷ 4,300+ resource documents within 877 sub-sites
- ▷ More than 340 rich media documents (pdfs, flash, video)

Special recognition goes to Toronto-based NI Solutions and PaperThin in Boston for their critical contributions of expertise, technology and software. We also thank all our loyal regular users and new visitors, for helping to make the MNet site such a success – and for advancing media literacy in their communities.

Web Site Awards

The MNet Web site continued to receive recognition in the form of major international awards. MNet was honoured with both the *NAWeb 'Best of the Web' Award* from The North American Web Conference (2003), and the new international *WiredKids Excellence in Internet Awareness and Education Award* from WiredSafety.org (2004).

Be Web Aware Calls Parents to Action

MNet's research on Internet use by young Canadians tells us that parents have a powerful role to play in helping their children develop online smarts and safe practices. That's why MNet, Microsoft Canada, Bell Canada, and a coalition of leading Canadian media companies and not-for-profit organizations joined forces on January 13, 2004 to launch *Be Web Aware* – a national Internet safety public awareness campaign.

Be Web Aware is designed to deliver a call to action to parents, and to support them in effectively managing Internet use in the home. It includes television, radio and print Public Service Announcements and a comprehensive Web site, www.bewebaware.ca. The site, developed by Media Awareness Network, and designed by CORUS Interactive as a pro bono contribution, is full of information and tools to help parents teach their children to handle the potential risks and opportunities associated with going online.

Be Web Aware Coalition

Steering Committee: Bell Canada, Media Awareness Network, Microsoft Canada. *Development Partners:* CORUS Interactive, MacLaren McCann. *Government Partner:* Public Safety and Emergency Preparedness Canada, National Crime Prevention Strategy. *Promotion Partners:* Alberta Justice and Solicitor General, Alliance Atlantis, Brantford Kinsmen Club, Canadian Association of Internet Providers, Canadian Library Association, CanWest Global Communications Corp., CHUM Television, CORUS Entertainment, Craig Media Inc., CTV Inc., Globeandmail.com, Iceberg Radio, MSN.ca, Rogers Hi-Speed, Shaw Communications Inc., Sympatico.ca, TELUS, Toronto Police Service.



February 19, 2004, National Librarian Roch Carrier announces the 2nd Annual Web Awareness Day in the National Press Gallery in Ottawa. Mr. Carrier was joined by Canadian Library Association Executive Director Don Butcher, Media Awareness Network Executive Director Jan D'Arcy and Jacqueline Michelis, Associate Director of Media Relations for Bell Canada



In family medicine we are only too pleased to have literature to hand out to patients and I would hope that the Media Awareness group receives further funding to develop and continue researching, and to produce pamphlets, posters, and articles that would heighten the awareness of the influence of media on children and youth.

*Dr. Patricia Morris, MD CCFP,
University of Ottawa*

The response from parents, educators and media has been extremely positive. During its first two months, the site attracted 143,733 unique visitors. Through the *Ask an Expert* feature, MNet staff handle a steady stream of questions from the public. This online service is providing MNet with invaluable insight into emerging areas of concern on Internet issues related to young people. High on the list of concerns is cyber-bullying, a key area that MNet has addressed.

Libraries Support Communities with Web Awareness Day

Once again, Media Awareness Network was proud to partner with the Canadian Library Association and Bell Canada to provide resources and support for Canada's second *Web Awareness Day*. Through *Web Awareness Day*, public libraries across Canada demonstrate their leadership in advancing Internet and information literacy. Under the theme "Parenting the Net Generation," *Web Awareness Day 2004* was officially launched by Canada's National Librarian and recognized in the House of Commons through a statement introduced by Lynn Myers, MP (Waterloo-Wellington).



To celebrate *Web Awareness Day 2004*, libraries held open houses, presentations of MNet's workshops on safe Internet use, and special events. Information pamphlets, bookmarks and other media literacy materials for parents were also distributed.

MediaPulse Introduces Media Education for the Health Care Setting

The launch of MNet's program, *MediaPulse: Measuring the Media in Kid's Lives* at the June 2003 national conference of the Canadian Paediatric Society (CPS), marked the beginning of a new and important partnership between MNet, the CPS and Canadian family health care communities across Canada. *MediaPulse* is designed to familiarize health practitioners with current research on media issues, and to provide practical resources for integrating media awareness into their work with young patients and their parents. The launch included the publication of a special themed issue of the CPS's professional journal which was dedicated to media education.

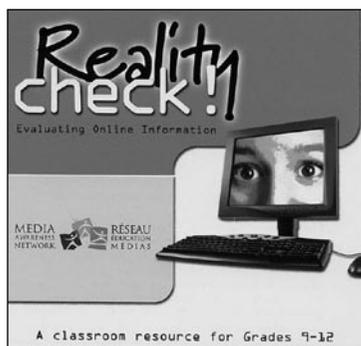
MediaPulse resources, produced by MNet with funding from Health Canada, include a guide for health practitioners, a media history form for use in assessing patients' media use, a *MediaPulse* professional development workshop for family health care practitioners; and a new section on the MNet Web site. The guide and media history form have been distributed to more than 16,000 Canadian paediatricians, family doctors and regional health authorities. *MediaPulse* has been well received within the health care community and is now being used in many doctor's offices, hospitals, and health care settings around the country.

I was able to co-present at a workshop for pediatricians at the 2003 National Meeting of the CPS. The feedback was almost unanimous: the Media Pulse Tool is a wonderful resource for a busy practitioner... I have found the MNet resources to be superbly helpful.

Dr. Peter Nieman, FRCPC, The Alberta Children's Hospital

Our new alliance with Canada's Media Awareness Network has opened our minds to fresh ideas and approaches to promote Internet safety in Singapore.

*Dr. Angeline Khoo, PAGi Chairman, Education
PAGi (Parent's Advisory Group), Singapore
(PAGi has recently renewed its interest in access to MNet's Web Awareness program, as well as potentially hosting a national Web Awareness Day, based on the Canadian model.)*



There is tremendous interest in Reality Check! and its potential for us in the north

*Murray Horn
Director of Corporate Services
Nunavut Department of Education*

MNet Explores International Opportunities

This year, MNet continued to explore the potential of the American market for its Web Awareness professional development workshops for libraries. With funding from Canadian Heritage's Trade Routes program, the MNet workshops were adapted for the U.S. market, a marketing strategy was developed, and initial support material was prepared.

This market development initiative was in addition to the cultural and media education policy exchanges in Berlin and Mexico, supported by the Department of Foreign Affairs and its missions overseas, as well as licensing of MNet's educational resources to organizations in Ireland and Chile.

CREATING NEW RESOURCES

Reality Check!

Along with Internet safety, verifying online information is one of the more pressing new media topics for educators and librarians. MNet responded to the need for education resources with the production of Reality Check! Evaluating Online Information. Available under licence, the Reality Check! package includes an in-class presentation, an independent study unit for students with interactive activities, and an extensive teachers' guide with handouts and assignment sheets.

Reality Check! is being promoted through a comprehensive marketing strategy that includes advertising in teachers' publications across the country, a flyer for distribution at conferences, and teacher reviews and articles in education periodicals and magazines. Promotion of Reality Check! was made possible by funding support from Industry Canada's SchoolNet program.

Cyber-bullying

MNet's benchmark research in 2001 revealed that one quarter of young Canadian Internet users have received e-mails with material that said hateful things about others. Some 16 per cent of young people said they had themselves put hateful comments about others online. At that time, we identified cyber-bullying as an emerging trend, and our latest focus groups in November 2003 confirmed that this has become a serious issue for schools. It's not surprising, then, that MNet's new cyber-bullying backgrounder has proven to be one of the most popular documents on our Web site. In the coming year, we'll continue to research and develop additional resources to help educators, parents, and students deal with this issue.

L'Actualité en classe

The expansion of MNet's service to the francophone education community continued during 2003 through our collaboration with l'Infobourg and l'École branchée on L'Actualité en classe, an online initiative that offers Québec elementary and secondary teachers French-language media education resources. L'Actualité en classe uses multi-media interactive fact-sheets to help students develop critical-thinking skills for analyzing and understanding the news and coverage of current events.

Thank you and bravo for your educational resource, *L'Actualité en classe*. My students and I find it very interesting.

Génia Jensen
Lycée Gammel Hellerup, Denmark

I am very impressed with the quality and depth of treatment evident in the Web Awareness Workshop materials and see value in sharing the information with our educators and students.

Jim Tuff
Program Development
Specialist, Technology Education
Government of Newfoundland and Labrador

In March 2003, MNet conducted an informal survey of educators/librarians who had delivered MNet's professional development workshops to professionals. The survey was directed toward six government partners. Responses indicated:

- ▷ the workshops met the effectiveness criteria for the professional development needs of librarians (80%) and educators (92%)
- ▷ that MNet should be producing more Web Awareness learning materials for students (which MNet has done through new resources such as Reality Check!)

Médias en action

MNet worked with the Commission scolaire des affluents, a Montréal-area school board, to create a new media education portal of the Commission's Web site for elementary teachers. The portal provides self-directed learning modules and pertinent links to resources on MNet's Web site, so teachers can offer media education in their classrooms that is consistent with the province's curricular requirements.

Les Cyberbibliothécaires

Fall 2003 saw the launch of an entirely new French-language section for librarians on MNet's site. *Les Cyberbibliothécaires* offers librarians a comprehensive range of Internet literacy resources for helping young people to become safe, wise, and responsible Internet users. Funded by Industry Canada's Franccommunautés virtuelles program, MNet's *Cyberbibliothécaires* resources include:

- ▷ Tip sheets, background information and other materials to equip parents to assist young people in developing critical-thinking skills to guide their use of the Internet.
- ▷ Information about online safety, verifying online information, Internet marketing and privacy, online ethics, and other key issues for young people.
- ▷ The Research Centre – an interactive environment to help 11-to-13-year-olds develop Internet literacy skills.
- ▷ Professional development resources for librarians, including information on best practices, managing Internet use in libraries, training materials for staff, and resources for promoting public awareness, and the availability of Internet education resources for young people.

Web Awareness Workshops

In 2003, For the fourth consecutive year, MNet's professional development workshops for educators and librarians were updated to reflect changes in the online world and our latest understanding of how young Canadians are using the Internet and new media. Licensing of the workshops within the education and library sectors continues to expand. All elementary and secondary schools in Nova Scotia, Prince Edward Island, Saskatchewan, Nunavut and the Yukon are now licensed; while in British Columbia, Alberta, Ontario, Quebec, and Newfoundland, licences are held by individual institutions, including several large school boards. In the library community, public libraries in British Columbia, Alberta, Ontario, New Brunswick, Nova Scotia, and the Yukon have licensed the workshops.

The Safe Passage presentation was particularly successful, with many parents admitting to not recognizing some of the risks involved with the Internet.

*Serge Thériault
New Brunswick Public Library Service*

I would like to sincerely thank the creators of this site. It will help greatly in my current research project of how media representation in fashion has a negative effect on the self image of young native urban First Nations women.

*Charlene Smoke
First Nations Studies
Interdisciplinary Program
University of British Columbia*

From an Internet savvy parent of a similarly Internet savvy 13-year-old girl and 9-year-old boy, your findings resonate very thoroughly with our lives. Great work, look forward to more analysis and policy issues that develop.

*Mary Cavanagh
Parent, Ottawa*

MEASURING KIDS' ATTITUDES AND MEDIA USE

Young Canadians In A Wired World – Phase II (YCWW-II)

MNet's research underpins its media education and awareness resources, and informs public policy. In November 2003, we began Phase II of our Young Canadians In A Wired World research program with focus groups of parents and young people aged 11-17 conducted in Edmonton, Toronto and Montréal. Funding support for this phase came from Industry Canada's SchoolNet program and the Provincial-Territorial Working Group on Film Classification, as well as support from Alberta Learning, the University of Montréal (CITÉ), and the National Film Board of Canada. The objective of the focus groups was to assess the range of attitudes and use-patterns among young people with respect to their online activities; and to assess parent's perception of their children's online activities.

Key findings of the focus groups indicate that parents are saying they want more information and tools for managing Internet use in the home, while young people themselves say they are hungry for more challenging school assignments that will test their ability to research online. The next step of YCWW-II will be the field surveys, tentatively planned for 2005.

Kids' Take on Media – CTF Research

In March 2003, the Canadian Teachers' Federation (CTF) undertook a survey designed to gain insight into the role traditional media play in the lives of kids and what young people have to say about them. The survey focused primarily on television, movies and video games, and involved approximately 5,700 Canadian students aged 8 to 15. CTF engaged MNet to advise on the structure and content of the research, to fine-tune the survey questions, and to assist in the analysis of results. MNet was pleased to collaborate on this research project, which continues to inform public discussion and policy development around issues related to young Canadians and media.

LOOKING AHEAD

Moving forward, MNet will continue to advance media literacy through the development of high-quality media education and awareness programs; the championing of media literacy as an essential life skill in today's knowledge-based society and economy, and the ongoing contribution of its research program. Below is a preview of what's on our agenda for 2004-2005.

New Professional Development and Classroom Resources for Licensing

Anti-Racism Education

A major focus of MNet's program development strategy in 2004-2005 will be the research, production and marketing of a comprehensive range of diversity education resources, in English and in French. The topics to be addressed include challenging online hate and media portrayal of ethnic and visible minorities. New resources will include, professional development workshops, teaching lessons and interactive student materials.

I have been using your "Jo Cool Jo Fool" site with 7th and 8th graders for almost three years now. I just wanted to tell you how much I like it and how perfect it is for introducing kids to some of the most pressing issues related to the Internet. Thank you so much for putting it all in one place, with content that is understandable to this age group!

Jean Pendleton
Technology Director
The Fay School, Southborough, MA

It's called "Street Smarts for the Net: What Every Parent Should Know," and it's getting rave reviews from those who participated in it last month. Sponsored by Rogers Cable, the Media Awareness Network (MNet) gave its presentation on Internet safety to parents on the importance of knowing your children and your computer.

Bathurst Northern Lights (New Brunswick),
May 14, 2003

Organizations such as Media Awareness Network ... help consumers put media violence in perspective.

SchoolNet News Network
Student Magazine, October 2003

The Target is You – Alcohol Advertising

Working with the Canadian Centre on Substance Abuse, MNet will develop and nationally disseminate a teaching program to help young people understand and assess alcohol advertising – particularly in terms of its possible influence on lifestyle choices.

Media Literacies for the 21st Century

Based on consultations and planning undertaken in 2003, MNet will move forward over the next three years on its new national initiative Media Literacies for the 21st Century (MediaLit 21), which will provide a road-map for media education across the curriculum and institutions in a new digital environment. The overall objective of MediaLit 21 is to address today's need to develop media literacy among young people. We will work in collaboration with our partners to implement the program's four key elements: (i) a policy monograph developed in consultation with Canada's leading media educators; (ii) the production of media education professional development workshops; (iii) the continuing development of student resources; and (iv) a full implementation/communications strategy that will introduce a new branding approach for MNet's education resources.

Expanded Community Resources

Web Awareness for Librarians

Based on the successful new Les Cyberbibliothécaires section for librarians launched this year, MNet will create a comparable, comprehensive English-language online library resource centre.

Be Web Aware

MNet will maintain the successful www.bewebaware.ca site over the coming year as a portal for parents to access information, resources and expert advice on Internet safety issues. The Be Web Aware partners are also pursuing discussions on next steps in building public awareness, and supporting parents to help their children use the Internet in a sage and appropriate manner.

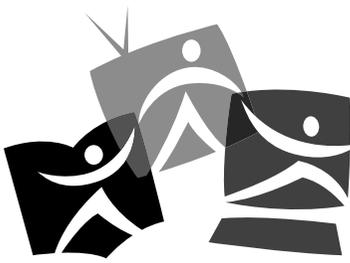
New Research

Young Canadians In A Wired World – Phase II: Field Survey

MNet will build on the findings of the successful YCWW-II focus groups with a robust research plan for 2004-2005. Pending funding, MNet will head back into the field in 2004/2005 to conduct comprehensive formal surveys with students and parents across Canada. The survey data will offer MNet valuable data-analysis opportunities, and further develop our understanding of how young Canadians interact with the media.

Building International Market Intelligence

In support of MNet's policy influence, cultural exchanges, and commercial interests, we will pursue a market segmentation approach. In the United States, the priority will continue to be the library sector; in Europe the focus is on policy and research models; and in Asia and Latin America, we will respond to demands for licensed access to MNet's media education resources.



MEDIA AWARENESS NETWORK

WHO WE ARE

Media Awareness Network is a Canadian non-profit organization that has pioneered research, training, and production of resources for media education and Internet literacy since the early 1990s. MNet grew out of the Canadian Radio-television and Telecommunications Commission's (CRTC) television violence initiative, and was initially housed within the National Film Board of Canada. In 1996, MNet was incorporated as an independent entity under the leadership of Co- Directors Jan D'Arcy and Anne Taylor and a volunteer board that included senior representatives from leading Canadian media companies and the public sector. Since then, MNet has built upon its solid foundation to play a seminal role in advancing media education in Canada. With a staff of 14 working in Ottawa and Montreal, the organization today hosts the world's largest English- and French-language online media education resource at: www.media-awareness.ca.

MISSION

The mission of Media Awareness Network (MNet) is to support and encourage media education and its widest possible integration into Canadian schools, homes and communities.

PHILOSOPHY

MNet's philosophy builds on the enthusiasm and energy that young people bring to the media they love. We see media education as learner-centred, and fostering life-long critical thinking skills.

WHAT WE DO

In executing this mission, MNet:

- ▷ equips teachers, librarians, parents and community organizations with media education and awareness resources that help guide young people to become media literate.
- ▷ designs special media education and awareness initiatives, partnered with government, industry and the not-for-profit sector.
- ▷ provides an internationally recognized Canadian centre of expertise and excellence in media education and awareness.
- ▷ works to build broad public support for media education and awareness.

OUR SPONSORS

MNet has established itself as a Canadian centre of excellence for media education – an accomplishment that would not have been possible without the generous, sustained support and encouragement of our sponsors and partners in the profit, not-for-profit and government sectors.

Founding Sponsors

Bell Canada
Shaw Communications Inc.

Gold Sponsors

AOL Canada Inc.
Bell Canada
CHUM Television
Microsoft Canada
Rogers Cable Communications Inc.
TELUS

Silver Sponsors

CTV Inc.

Bronze Sponsors

Canadian Recording Industry Association
Craig Media Inc.

Associate Sponsors

Alliance Atlantis
National Film Board of Canada

Benefactors

BCE Inc.
CanWest Global Communications Corp.
CHUM Television
CTV Inc.

Corporate Members

A&E Television Networks
CANARIE
HIT Entertainment Canada Inc.
VisionTV

Research and Development Partners

Alberta Learning
Canadian Centre on Substance Abuse
Canadian Heritage
Canadian Library Association
Canadian Teachers' Federation
CA*net Institute
Commission scolaire des Affluents
De Marque, Inc.
Health Canada

Human Resources and Skills
Development Canada
Industry Canada
National Film Board of Canada
Provincial-Territorial Working Group
on Film Classification
Public Safety and Emergency
Preparedness Canada
Mothers Against Drunk Driving (MADD)
National Film Board of Canada
University of Montréal

MEMBER ORGANIZATIONS

Alberta Teachers' Association
Association des enseignantes et des
enseignants francophones du
Nouveau-Brunswick
Big Orbit
British Columbia Teachers' Federation
Canadian Association of Deans of Education
Canadian Association of Principals
Canadian Association of Public Libraries
Canadian Home and School Federation
Canadian Library Association
Canadian School Library Association
Canadian Teachers' Federation
Centennial Regional High School
College of Education, University of Saskatchewan
Concerned Children's Advertisers
District School Board of Niagara
Edmonton Public Schools
Federation of Nunavut Teachers
Girl Guides of Canada
Hamilton-Wentworth District School Board
Lakehead District School Board
Library Boards Association of Nova Scotia
Manitoba Teachers' Society
New Brunswick Teachers' Association
Newfoundland and Labrador
Teachers' Association
Nova Scotia Provincial Library
Nova Scotia Teachers' Union
Ontario Secondary School Teachers' Federation
Ontario Teachers' Federation
Ottawa Carleton District School Board
Ottawa Centre for Research and
Innovation (OCRI)
Owl Children's Trust
Peel District School Board
Portail monPIF.ca
Prince Edward Island Teachers' Federation
The Quebec Library Association
Quebec Provincial Association of Teachers
Régis du Cinéma du Québec
Réseau Biblio du Québec
Saskatchewan Teachers' Federation
School of Library and Information Studies,
University of Alberta
Toronto District School Board

OUR BOARD OF DIRECTORS

MNet's Board of Directors brings a wide range of invaluable expertise and knowledge to the vision and governance of our organization. The Board's structure reflects the organization's unique business model that is based on strong partnerships with user groups, sponsors, and government.

As we begin a new year, filled with opportunities and challenges, we extend our thanks to retiring Directors Lenore Burton, Claude Fleury, and Hugh Fraser. Thanks also to Alex Park whose contribution as a Board member since 2000 has been invaluable. We extend special thanks and recognition to Linda Gervais for her dedication over the past six years as a Board member, Vice-Chair, and Chair of MNet's Fund Development Committee. We also offer thanks to Jean G  rrette, who as ex-officio member from Canadian Heritage, provided enormous support and encouragement to MNet. And to Andr   H. Caron, a very special thank you for his wise counsel and leadership since MNet's establishment, first as a founding patron and director, and most recently as Board Chair.

2004-2005 Board

Executive Committee

Elizabeth Roscoe
Executive Director
Partnership Development
Carleton University
Chair

Pamela Dinsmore
Vice President
Regulatory
Rogers Cable Communications Inc.
Vice Chair

Serge Carrier
Senior Vice President
ISACSOFT Inc.
Vice Chair

Barry Chapman
Vice President
Regulatory Matters
Bell Canada
Treasurer

Sarah Crawford
Vice President
Public Affairs
CHUM Television
Member-at-large

Wendy Newman
Librarian in Residence
Faculty of Information Studies
University of Toronto
Member-at-large

Board Members

Neil Andersen
Instructional Leader
English and Media Studies
Toronto District School Board

Charlotte Bell
Vice President
Regulatory Affairs
Global Television Network

Jacques Bensimon
Government Film Commissioner
and Chairperson
National Film Board of Canada

Andrew Cardozo
Consultant

Louise Dufour, P.Eng.
Head of Service
Educational Services
T  l  -Qu  bec

Robert Glossop
Executive Director
Programs and Research
The Vanier Institute of the Family

Richard Godbout
Director, Multimedia and Digital Content
Quebec Ministry of Culture and Communications

Louise Imbeault
Director of French Regional Television,
Atlantic Canada
CBC Radio-Canada

Dr. Arlette Lefebvre
Staff Psychiatrist
Division of Child Psychiatry
Toronto Hospital for Sick Children

David Miles
President
Canadian Association of Principals

Terry Price
President
Canadian Teachers' Federation

Vanda Provato
Senior Director
Communications
AOL Canada Inc.

Bill Roberts
President and CEO
VisionTV

Suzanne Rochon-Burnett
President and owner
R.B. Communications Ltd.

Jill Schoolenberg
Director
Windows
Microsoft Network Canada

Mark Sikstrom
Executive Producer
CTV Newsnet and CTV.CA
CTV Inc.

Jay Thomson
Assistant Vice President
Broadband Policy
TELUS

ex officio

Christine DuBois
Director
Office of Learning Technologies,
Learning and Literacy Directorate,
Human Resources and Skills
Development Canada

Ross MacLeod
Director General, Programs
Information Highway Applications Branch
Industry Canada

Claude Rocan
Director General
Centre for Healthy Human Development
Population and Public Health Branch
Health Canada

Danielle Thibault
Director General
Communications Branch
Canadian Heritage

OUR TEAM

MNet's reputation is built on the expertise, experience, and dedication of the organization's staff members in Ottawa and Montreal. During the year, we said good-bye and best wishes to a number of team members: William Allen, Cathy Blauer, Katia Martineau, Valerie Steeves, Katherine Tait, Andrée Thibeault, and Catherine Viens. In 2003 we welcomed Margaret Skok for a year and a half, supported by an Executive Interchange Agreement, sponsored by the Department of Canadian Heritage. We also welcomed Karine Bédard, Guillaume Cormier and Geraldine Hebert to the team.

MNet Staff:

Jan D'Arcy
Executive Director

Karine Bédard
Media and Internet Education Specialist

Guillaume Cormier
French Program Web Site Coordinator

Geraldine Hebert
Manager of Operations

Lynn Huxtable
Manager, Special Projects

Gilles Parisien
Financial Manager

Louiselle Roy
Director, French Program

Margaret Skok
Director, Government Relations

Jane Tallim
Director, Education Program

Anne Taylor
Director, Marketing

Catherine Thurm
Site Coordinator English

Sandra Udle
Administrative Assistant

Susanne Ure
Webmaster

Cathy Wing
Director, Community Programming

AUDITORS' REPORT

To the Members,
Media Awareness Network Canada

We have audited the balance sheet of Media Awareness Network Canada as at December 31, 2003 and the statements of revenue and expenses - operating, members' equity and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2003 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Canada Corporations Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Chartered Accountants

Ottawa, Ontario,
March 17, 2004.

MEDIA AWARENESS NETWORK CANADA
Balance Sheet as at December 31, 2003

	ASSETS	<u>2003</u>	<u>2002</u>
OPERATING FUND			
Current			
Cash		\$ 330,086	\$ 284,262
Accounts receivable (note 5)		399,401	557,014
Prepaid expenses		<u>4,198</u>	<u>7,277</u>
		733,685	848,553
Capital (note 6)		<u>82,777</u>	<u>61,641</u>
Total Operating Fund Assets		816,462	910,194
CONTINGENCY AND SPECIAL PROJECTS FUNDS (note 2)			
Deposit certificates		70,467	40,000
Accrued interest		<u>60</u>	<u>46</u>
Total Contingency and Special Projects Fund Assets		<u>70,527</u>	<u>40,046</u>
TOTAL ASSETS		\$ <u>886,989</u>	\$ <u>950,240</u>
LIABILITIES			
OPERATING FUND			
Current			
Accounts payable and accrued liabilities		\$ 30,746	\$ 42,019
Deferred revenue (note 7)		466,970	529,358
Current portion of long-term debt (note 8)		<u>1,493</u>	<u>1,830</u>
		499,209	573,207
Long-Term Debt (note 8)		<u>-</u>	<u>1,493</u>
		499,209	574,700
MEMBERS' EQUITY			
OPERATING FUND			
Invested in capital assets		81,284	58,318
Unrestricted net assets		<u>235,969</u>	<u>277,176</u>
		<u>317,253</u>	<u>335,494</u>
Total Operating Liabilities and Members' Equity		816,462	910,194
CONTINGENCY FUND		50,297	30,034
SPECIAL PROJECTS FUND		<u>20,230</u>	<u>10,012</u>
Total Contingency and Special Projects Fund Members' Equity		<u>70,527</u>	<u>40,046</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY		\$ <u>886,989</u>	\$ <u>950,240</u>

Approved on behalf of the Board:



Chair



Secretary

MEDIA AWARENESS NETWORK CANADA
Statement Of Members' Equity
For the Year Ended December 31, 2003

	<u>2003</u>	<u>2002</u>
OPERATING FUND		
Invested In Capital Assets		
Balance - beginning of year	\$ 58,318	\$ 50,420
Capital acquisitions	60,168	24,467
Equipment financing repayments	1,830	1,659
Amortization	(39,032)	(18,228)
	<u>22,966</u>	<u>7,898</u>
Balance - end of year	<u>81,284</u>	<u>58,318</u>
Unrestricted Net Assets		
Balance - beginning of year	277,176	132,043
Excess revenue over expenses for the year	11,759	183,031
Transfer to invested in capital assets	(22,966)	(7,898)
Transfer to Special Projects Fund	(10,000)	(10,000)
Transfer to Contingency Fund	(20,000)	(20,000)
Balance - end of year	<u>235,969</u>	<u>277,176</u>
TOTAL OPERATING FUND BALANCE		
- END OF YEAR	<u>\$ 317,253</u>	<u>\$ 335,494</u>
CONTINGENCY FUND		
Balance - beginning of year	\$ 30,034	\$ 10,000
Transfer from unrestricted net assets	20,000	20,000
Investment income	263	34
Balance - end of year	<u>\$ 50,297</u>	<u>\$ 30,034</u>
SPECIAL PROJECTS FUND		
Balance - beginning of year	\$ 10,012	\$ -
Transfer from unrestricted net assets	10,000	10,000
Investment income	218	12
Balance - end of year	<u>\$ 20,230</u>	<u>\$ 10,012</u>

MEDIA AWARENESS NETWORK CANADA
Statement Of Revenue And Expenses - Operating
For the Year Ended December 31, 2003

	<u>2003</u>	<u>2002</u>
REVENUE		
Private sector	\$ 701,429	\$ 552,741
Public sector	424,149	603,525
Non-profit sector	63,433	58,324
Other	97,574	81,752
	<u>1,286,585</u>	<u>1,296,342</u>
 EXPENSES		
Amortization	39,032	18,228
Bank charges and interest	759	1,274
Board of Directors	4,103	4,179
Contractual labour	152,465	157,041
Equipment	2,556	406
Fund development management	248	-
Information services	798	1,988
Insurance	5,563	5,353
Office	43,560	37,937
Postage and courier	5,614	2,440
Professional fees	15,851	11,732
Promotion and advertising	65,402	6,050
Salaries and benefits	859,061	807,994
Site and network services	35,331	31,192
Telephone	24,005	20,544
Travel and conferences	20,478	6,953
	<u>1,274,826</u>	<u>1,113,311</u>
 EXCESS REVENUE OVER EXPENSES FOR THE YEAR	 <u>\$ 11,759</u>	 <u>\$ 183,031</u>

MEDIA AWARENESS NETWORK CANADA
Statement Of Cash Flows
For the Year Ended December 31, 2003

	<u>2003</u>	<u>2002</u>
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Excess revenue over expenses for the year		
- operating	\$ 11,759	\$ 183,03
- other funds	481	46
	<u>12,240</u>	<u>183,077</u>
Item not involving cash		
- amortization	<u>39,032</u>	<u>18,228</u>
	51,272	201,305
Change in non-cash working capital		
- accounts receivable	157,599	97,673
- accounts payable and accrued liabilities	(11,273)	14,018
- deferred revenue	(62,388)	(148,723)
- prepaid expenses	3,079	(6,007)
	<u>87,017</u>	<u>(43,039)</u>
	138,289	158,266
INVESTING ACTIVITY		
Purchase of capital assets	(60,168)	(24,467)
FINANCING ACTIVITY		
Repayment of long-term debt	(1,830)	(1,659)
INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	76,291	132,140
Cash and cash equivalents - beginning of year	<u>324,262</u>	<u>192,122</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 400,553</u>	<u>\$ 324,262</u>
CASH AND CASH EQUIVALENTS		
Cash	\$ 330,086	\$ 284,262
Deposit certificates - restricted	<u>70,467</u>	<u>40,000</u>
	<u>\$ 400,553</u>	<u>\$ 324,262</u>

MEDIA AWARENESS NETWORK CANADA

Notes to Financial Statements

December 31, 2003

1. ORGANIZATION

Media Awareness Network Canada / Réseau Éducation-Médias Canada was incorporated under the Canada Corporations Act as a not for profit organization on August 19, 1996, and is a registered charity under the Income Tax Act. The mission of the Media Awareness Network (MNet) is to support and encourage media education, and its widest possible integration into Canadian schools, homes and communities. Our aim is to help people, particularly children and youth, to develop an informed and critical understanding of the nature of the media, the techniques used in creating media products, and the media's role and influence within society.

2. PURPOSE OF FUNDS

Contingency Fund

This fund was established to cover essential operating expenses for six months, future office moving expenses and initial payment of rent.

Special Projects Fund

This fund was established to provide funds for designated special projects (such as Web site redesign).

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Capital Assets and Amortization

Capital assets are recorded at cost, less accumulated amortization. Amortization is provided as follows:

Furniture and equipment	- 20%	- declining balance
Hardware	- 30%	- declining balance
Software	- 100%	- straight line
Web site	- 100%	- straight line

One half of the above rates are used in the year of acquisition.

(b) Revenue and Receivable Recognition

(1) Signed Agreement/Deferred Revenue

The total amount of the grant or contribution is recorded as an account receivable when the agreement has been signed and as deferred revenue pending performance of deliverables.

(2) Revenue

Revenue is recognized on a percentage of work completed where the grant or contract has specific conditions of performance. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. All other revenue is recognized in the period which the granting organization specifies.

MEDIA AWARENESS NETWORK CANADA
Notes to Financial Statements
December 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Deposit Certificates

The deposit certificates are recorded at cost, which approximates market value.

(d) Grants and Contributions

Certain grants and contributions are subject to specific terms and conditions regarding the expenditure of funds. In such cases, the Organization's accounting records are subject to audit by the contributor to identify instances, if any, in which amounts charged against grants and contributions have not complied with the agreed terms and conditions and which therefore would be refundable to the contributor.

(e) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

4. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, deposit certificates, accounts receivable, accounts payable and accrued liabilities and long-term debt. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate risk arising from these financial instruments.

(i) Credit Risk

Credit risk arises from the potential that contributors will fail to honour their obligations. The Organization is exposed to credit risk through accounts receivable.

(ii) Fair Value

The carrying amounts reported in the balance sheet for cash, deposit certificates, accounts receivable, accounts payable and accrued liabilities approximate fair value due to their immediate or short-term maturities. The carrying amount of long-term debt approximates fair value.

MEDIA AWARENESS NETWORK CANADA
Notes to Financial Statements
December 31, 2003

5. ACCOUNTS RECEIVABLE

	<u>2003</u>	<u>2002</u>
Current	\$ 245,765	\$ 362,055
Signed agreements (note 3(b)(1))	<u>153,636</u>	<u>194,959</u>
	<u><u>\$ 399,401</u></u>	<u><u>\$ 557,014</u></u>

6. CAPITAL ASSETS

	<u>2003</u>			<u>2002</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Furniture and equipment	\$ 49,437	\$ 20,871	\$ 28,566	\$ 8,844
Hardware	126,882	94,022	32,860	38,044
Software	41,740	27,260	14,480	1,011
Web site	<u>13,742</u>	<u>6,871</u>	<u>6,871</u>	<u>13,742</u>
	<u><u>\$ 231,801</u></u>	<u><u>\$ 149,024</u></u>	<u><u>\$ 82,777</u></u>	<u><u>\$ 61,641</u></u>

7. DEFERRED REVENUE

	<u>2003</u>	<u>2002</u>
Signed agreements (note 3(b)(1))	\$ 153,636	\$ 194,959
Other	<u>313,334</u>	<u>334,399</u>
	<u><u>\$ 466,970</u></u>	<u><u>\$ 529,358</u></u>

8. LONG-TERM DEBT

	<u>2003</u>	<u>2002</u>
Equipment financing, payable \$523 quarterly, including interest at 9.9% per annum, maturing August 31, 2004	\$ 1,493	\$ 3,323
Current portion	<u>1,493</u>	<u>1,830</u>
	<u><u>\$ -</u></u>	<u><u>\$ 1,493</u></u>

**Media Awareness Network Canada
Notes to Financial Statements
December 31, 2003**

9. CONTRIBUTED SERVICES

CTV is providing office space for the Ottawa offices of the organization on a free basis. This service has not been valued nor recorded in the books of the organization.

10. COMMITMENTS

The organization has leased premises in Montreal at an annual rental of \$15,505 annually to October 2005.

The organization has signed a 24 month Web Site Hosting Agreement with monthly payments of \$1,195 to December 2006.

Subsequent to year-end the organization has signed an agreement for consultant work for a total fee of \$12,000.

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current financial statement presentation.